
JARDINE MOTORS GROUP

GENDER PAY GAP REPORT 2018



Jardine Motors Group
trading as ***Lancaster***

We welcome the ongoing spotlight that has been placed on the gender pay gap, and the fact that the issue has not died away but only grown in prominence demonstrates that more still needs to be done.

As a responsible business committed to providing opportunities for all, we are focused on continuing to bring about change where it is needed.

For us, the debate around the gender pay gap is just one element of a much bigger conversation around real equality (including the same pay for the same job) in the workplace, regardless of gender, religion, ethnicity or background, so that everyone feels they have a voice in the business in which they work; a voice that is not only heard, but respected.

We operate in what has been a traditionally male-dominated automotive industry and to change perceptions that motor retail is just an environment for men, it's an ongoing challenge that we, at Jardine Motors, are tackling head-on.

Over the past four years, even before we had to report on the gender pay gap, we were already proactive in addressing the issues. Clare Martin, Group HR Director, along with our Senior Management team, has worked hard to change out-dated perceptions that permeate the automotive landscape and change ingrained behaviours and cultures in our own teams, so that all our colleagues are supported to make the most of their talents.

We do this for two reasons:

First, integrity is a core value in our business. We believe passionately in equality and fairness for all colleagues as guiding principles that underpin all that we do.

Second, it makes good business sense. We believe that an inclusive working environment – one that encourages people from different backgrounds to enter the automotive retail trade – is one that thrives and fuels positive business performance. Also, it is evidenced that a diverse team delivers better business results. Returning to the subject of this report – the gender pay gap, we fully appreciate the current differential between men and women at Jardine Motors Group, a situation heavily

influenced by a number of factors set out on page 7 of this report.

However, the results of the in-depth examination of pay across our business reveals that there are no equal pay issues within the Jardine Motors Group. For clarity this means that men and women doing the same job are remunerated in the same way.

While we still have work to do on the issues of diversity, equality and opportunity, it is extremely satisfying to see that within a very important area, Jardine Motors does not distinguish when it comes to the same pay for the same role, regardless of gender.

We've also made progress since last year's report, in the percentage of women in the top quartile for pay, which now stands at 13.6% compared to 11.8% in 2017's report.

Going forward, we remain focused on continuing to engage with our colleagues so that they both share and live the guiding values by which we want to operate. This will include continuing to support diversity and inclusivity initiatives that matter to our people.

We also remain committed to leading the industry by example with more actions, not just talk, to ensure that all our colleagues feel valued, respected and fairly rewarded.

I confirm the gender pay gap data contained in this report is accurate.



Neil Williamson, CEO,
Jardine Motors Group



What is the Gender Pay Gap?

A gender pay gap is a measure of the difference in the average pay of men and women – regardless of the nature of their work – across an entire organisation, business sector, industry or the economy as a whole. It is different from an equal pay comparison which would involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

Legislative requirements

All UK companies with 250 or more employees as of 5 April 2018 are required to publish specific gender pay information. This includes:

- ✓ Mean and median gender pay/bonus gap
- ✓ Proportion of males and females receiving a bonus
- ✓ Proportion of males and females by quartile pay band

Figures for each legal entity with at least 250 employees on the snapshot date must

be calculated and reported separately. The mean and median gender pay gap is based on hourly rates of pay as at 5 April 2018.

The mean and median gender bonus gap considers bonus pay received in the 12 months leading up to 5 April 2018.

Pay quartiles look at the proportion of men and women in four pay bands when the workforce is divided into four equal parts.

Understanding the Gender Pay Gap calculations

Calculating the median and mean gaps

Using the calculation set out in gender pay gap reporting regulations, Jardine has taken pay data from the entire business of 3,616 employees. The data includes many different roles that bring a variety of rates of pay.

Hourly pay rates of all female employees from the lowest rate to the highest rate are noted, while the same exercise is repeated for all male employees. The median gender pay gap is the difference in pay between the female employee in the middle of the hourly pay rate range and the male employee in the middle of the hourly pay rate range.

The mean gender pay gap shows the difference in average hourly rate of pay between men and women.

The median and mean calculations are also carried out when comparing bonus pay over a 12 month period. The proportion of men and women awarded any bonus pay over that period is also reported.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle salary. The mean gender pay gap is the difference between the average hourly earnings of men and women.

What's included in the calculations?

Calculations of mean and median pay are based on data from April 2018 only, including ordinary pay and bonus pay.

Ordinary pay is not limited to basic pay, but also includes other types of pay such as pay for leave. It does not include pay over overtime, pay relating to redundancy/termination of employment, pay in lieu of leave or the value of benefits which are not in the form of money.

Bonus pay includes any additional pay relating to profit sharing, productivity or performance when in the form of money or vouchers. Calculations of mean and median bonus pay use bonus pay from the twelve months ending on 5 April 2018.

March is the busiest sales month of the year, with commission paid in April. Employees in a sales role are likely to have their highest paid month and therefore highest average hourly earnings in April of each year.

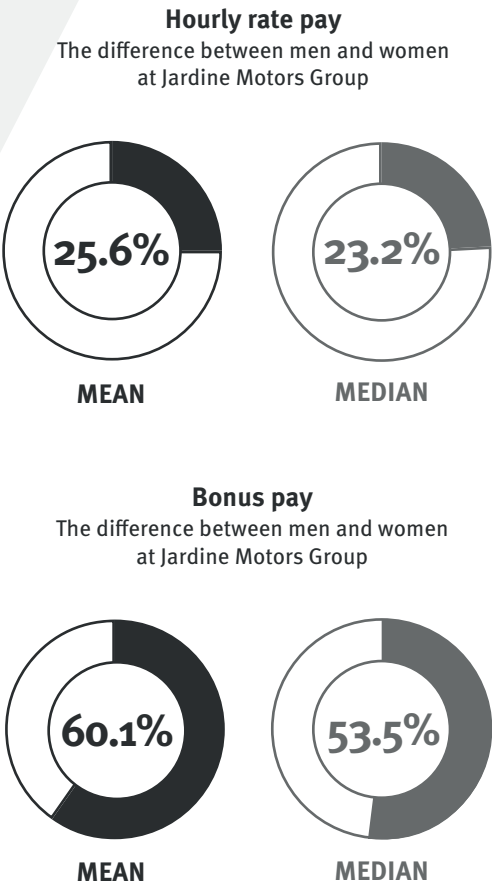
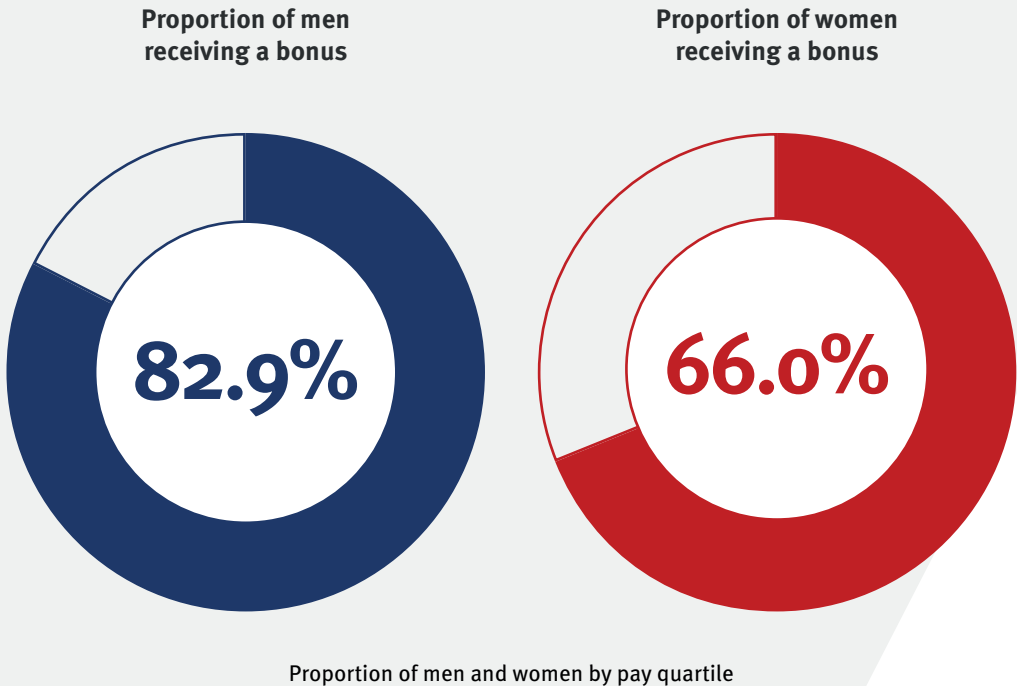
16.7% of the group's workforce was in commission-earning, non- management roles – broken down by **86%** men and **14%** women. This results in more men being affected by a highly inflated hourly rate in April than women, and providing a distorted monthly reading when compared with the other 11 months of the year.

Our results for 2018

	Number of employees as at 5 April 2018	Workforce		Mean gender pay gap	Median gender pay gap	Mean gender bonus gap	Median gender bonus gap	Proportion of men receiving a bonus	Proportion of women receiving a bonus	Proportion of men and women by pay quartile							
										Top quartile		Upper mid quartile		Lower mid quartile		Lower quartile	
		Men	Women							Men	Women	Men	Women	Men	Women		
Whole Group	3,616	71.7%	28.3%	25.6%	23.2%	53.5%	60.1%	82.9%	66.0%	86.4%	13.6%	80.9%	19.1%	60.8%	39.2%	63.8%	36.2%
Lancaster Motor Company Limited	1,828	72.1%	27.9%	21.7%	18.7%	43.5%	53.9%	81.1%	64.9%	86.8%	13.2%	77.0%	23.0%	63.1%	36.9%	66.3%	33.7%
Lancaster Cars Limited	945	73.0%	27.0%	25.4%	30.8%	55.1%	72.9%	86.2%	77.6%	87.4%	12.6%	88.3%	11.7%	60.7%	39.3%	62.6%	37.4%
Lancaster Luxury Vehicles Limited	378	74.6%	25.4%	33.1%	26.6%	61.4%	54.2%	86.9%	66.7%	92.2%	7.8%	83.3%	16.7%	70.8%	29.2%	59.3%	40.7%

Our results for 2018

Key data: information presented on the following pages relates to figures calculated for the whole of Jardine Motors Group (including all seven employing legal entities), followed by figures calculated for our three employing legal entities which each have more than 250 employees.



What does this mean?

In comparison with published results seen elsewhere within the retail sector, the gender pay gap results released by Jardine Motors Group are broadly in line with the experience of other retailers.

However, some important factors have influenced our calculations and the subsequent gender pay gap results. They are:

- As of April 2018, our workforce was made up of **72% men** and **28% women**. This indicates we still have a great deal of work to do in attracting more females to the industry.
- As per the regulations, the average hourly rates of pay are after deduction of salary sacrifice amounts. The take-up of salary sacrifice pension schemes within the business was almost identical. However, the take-up rate for salary sacrifice benefits was almost twice as high amongst women (**22% of women**) than men (**12% of women**).
- Jardine Motors Group employs more men than women in sales roles, which have performance-related earning opportunities in the form of monthly commission.
- Jardine Motors Group has more men than women in management and senior roles, which have a larger overall bonus opportunity.
- As at April 2018, **9.8%** of the workforce was in a permanent part-time role working less than 35 hours per week. Of this number, **71%** were women and **19%** were men. Any bonus paid to part-time staff is pro-rata to reflect the hours worked. However, the bonus gap calculation does not reflect this – it simply compares the actual bonus/commissions earned by men and women in the period.



Our continued commitment to opportunities for all

We are delighted with our continued success in ensuring there is no equal pay issue within the business.

However, as with many businesses in the automotive and retail sectors, there is still more to be done with regards to closing the gender pay gap. We recognise that a more diverse business is a better business, and we see it already in our teams where we do have an equal split of male to female colleagues, that the culture and performance is far better.

As alluded to elsewhere, we are striving to lead the industry when it comes to addressing ongoing gender balance issues within the workplace, including breaking down prejudice, altering perceptions and changing behaviour so that the automotive retail sector becomes a beacon of opportunity for everyone.

In order to deliver on closing the gender pay gap, we have a range of initiatives and aspirational targets in place to drive action and create change, so that we are truly creating opportunities for all.

We set a target to have 30% of management roles filled by women by 2020, and we are really close to reaching this early. At the time of this report, we had 29% of management

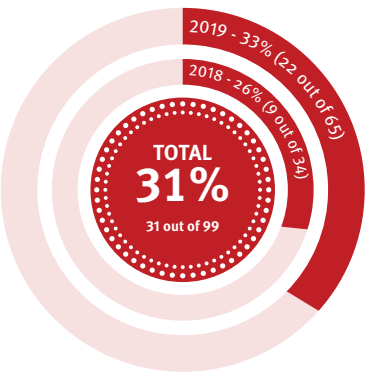
positions filled by women. To show the progress we've made, just three years ago, this figure stood at 5%.

We aimed for our industry-leading Academy training programme to achieve a 50:50 split in terms of gender when it comes to enlisted trainees. When recruiting for the latest cohort, which generated more than 3,500 applications, we had an equal number of men and women applying for 10 roles.

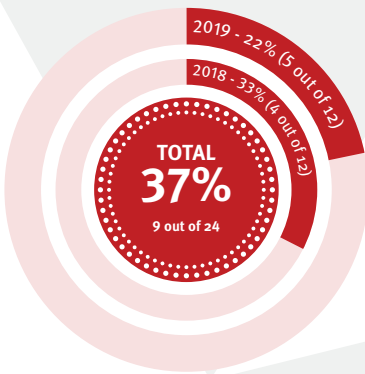
We have been delivering on our promise to help and support female colleagues to achieve their aspirations. The below infographics show how we are supporting female colleagues to move into senior management positions.



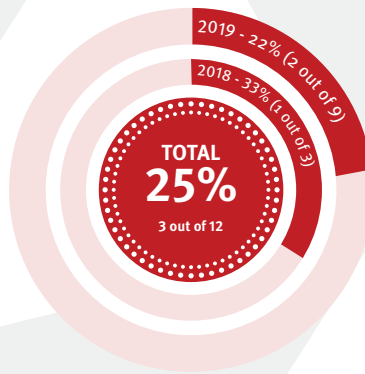
Clare Martin
Group HR Director
Jardine Motors Group



First-line Managers
(% women)

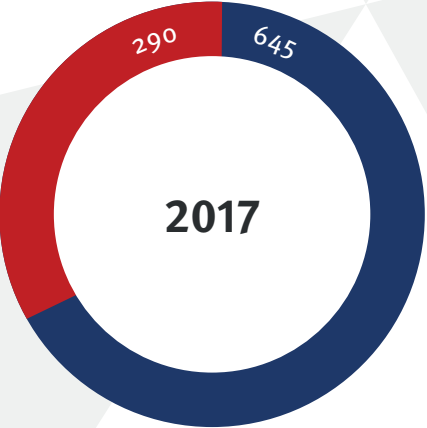


Finance Academy
(% women)

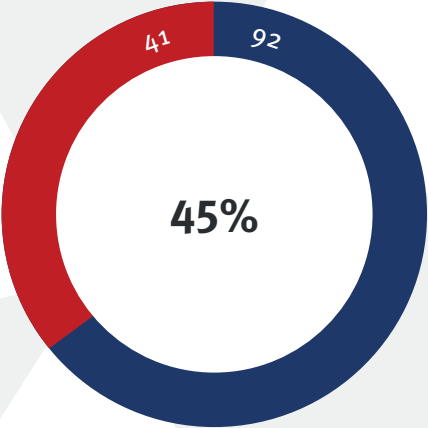
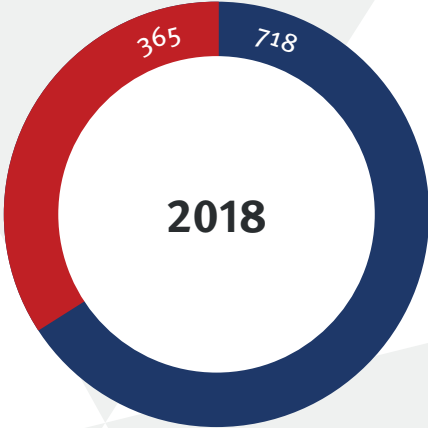


Leaders of the Future
(% women)

MALE
FEMALE



NUMBER OF
STARTERS 2017



INCREASE IN FEMALE
PROMOTIONS SINCE 2017

Progress requires dedication, a willingness to lead from the front and proactively engage with the industry and beyond to extol the values we are proud of within Jardine Motors Group. You can read more about our work in this area on page 11.

In terms of equality and seeking to inspire more women from diverse backgrounds to consider the retail automotive sector as one where talent, hard work and initiative are rewarded, Jardine Motors Group is already highly proactive. Evidence of this can be seen in the infographics below, which illustrates the progress we've made in attracting a greater proportion of women into our business.

Finally, we are delivering on promises to ensure our employees benefit from mutually agreed and fair working arrangements to reflect both the diversity of our workforce and the flexible ways they wish to work at Jardine Motors Group.

We continue to listen to feedback from our colleagues around working practices and we're continuously reviewing them to find ways to accommodate individual needs around flexible working and improved work/life balance.

We have already achieved much when it comes to addressing our diversification agenda. In a recent survey among our colleagues, 70% agreed or strongly agreed that both the

leadership team and managers demonstrate a commitment to creating an inclusive environment, and 95% of colleagues said progress made around diversification was either excellent, good or fair. However, the business will strive even harder in the years ahead to ensure that colleagues continue to feel listened to and further progress is made.

How we're addressing the gender gap in our business

Members of the 'Women Ahead' programme where, each year, 10 female colleagues from our business are mentored by a senior leader from outside our industry, as well as directors in our business, mentoring future female leaders from other businesses. We've found this initiative to be hugely beneficial for both mentors and mentees, as it has helped senior male colleagues to have a deeper appreciation for the challenges their female colleagues may face.

Members of 'Speakers for Schools', a UK-wide charity which sees leading influential figures visit schools and engage with young people to try to inspire their future career choice. There is a particular focus on enlightening young females as to the wide career choices available to them and to attempt to counteract stereotypical perceptions such as the automotive industry being just for men. As part of our partnership, we also offer work placements for young people to come into our business and experience the broad range of options available to them, first-hand.

Founded the **'Women in JMG group'** – an internal forum which provides our female employees with the opportunity to hear from other women outside of the industry, as well as engage with internal role models as to how they have progressed within their careers through face to face events as well as access to an informal mentoring programme to help with career progression. Importantly, male colleagues are also invited to attend (and many do) so that common understandings about the barriers females face can be improved. We also support this with a closed LinkedIn group, which provides a supportive and safe environment where women can share and debate challenges they are facing, and find ways to better support each other.

Members of the UK's Automotive '30% Club'. We are an active participant in the automotive industry's initiative to promote diversification within the sector and ensure that at least 30% of key leadership positions across the industry are filled by women by 2030. In 2019, we will be strengthening our support of

the initiative through sponsorship of its 'Inspiring Women Awards'.

Advocates of the move to provide more apprenticeship opportunities within the automotive retail sector especially for females. We attend a number of events each year including the National Apprenticeship Show, to help showcase the range of technical and non-technical apprenticeship roles we have in our business.

Our Group HR Director, Clare Martin, is an ambassador of Retail Week's ground-breaking **'Be Inspired'** initiative, designed to promote career opportunities for successful female leaders in the retail sector. In addition, our membership to the programme provides our own female colleagues with access to workshops, events and mentoring to help them with their personal development.

